GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:735
ANSWERED ON:16.08.2007
SETTING UP OF PETROL PUMPS AND GAS AGENCIES
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) : the criteria for setting up of petrol pump and gas agencies in the country;

(b) : whether the Government has received requests form various States to set more petrol pumps and gas agencies during 2007 so far;

(c) : if so, the details thereof, State-wise and

(d) : the action taken by the Union Government on the requests received from various States in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) : After dismantling of Administered Pricing Mechanism (APM) with effect from 1.4.2002, Public Sector Oil Marketing Companies (OMCs), viz., Indian Oil Corporation Limited (IOCL), Hindustan Petroleum Corporation Limited (HPCL) and Bharat Petroleum Corporation Limited (BPCL) have freedom to set up retail outlets (RO) dealerships and LPG distributorships as per their commercial consideration based on feasibility and economic viability of the selected locations. Further, RO dealerships/LPG distributorships are set up as per norms prescribed by the local/Government authorities, etc., after obtaining statutory approvals from various competent statutory authorities.

(b)to(d): Requests have been received by the Government from various quarters, from time to time, for setting up of RO dealerships and LPG distributorships at specific locations. Such requests are forwarded to the OMCs for conducting feasibility/ economic viability of the proposed location.If found feasible, the locations are included in marketing plans of OMCs.